

elotalk

NEWS AND VIEWS FROM ELOPAK'S WORLD OF PACKAGING – 05.2011

make a
difference



Trends & Possibilities

The world of juice

World Juice 2011

Make a difference to juice, make a difference to the world

Elopak is once again the main sponsor of the Foodnews World Juice Conference welcoming to Madrid all guests, delegates and fellow sponsors to this foremost industry event.

As a global leader in packaging Elopak know and understand how an innovative and radical approach can make a difference in dynamic, competitive and emerging juice markets. Elopak combines competencies in all aspects of packaging systems supply and carton design in both fresh and aseptic juice plus dairy, soups, water and non-liquid products such as sugar.

As our business is centred around the beverage carton – based on the iconic Pure-Pak® – it provides packaging that protects products, provides unique design and promotional opportunities and a far lower carbon footprint compared to other beverage packaging such as the plastic bottle.

The beverage carton is 75% paperboard - a renewable material. Far less energy is used to harvest trees compared with other raw materials and as Elopak continues to drive FSC Certified board, our cartons come from responsibly managed forests supporting their dependable communities and biodiversity.

It is our bespoke approach to packaging systems and design, through our range of carton shapes, sizes, features, caps and leading quality print technology, that enables our customers to create their own iconic packages that generate brand recognition.

We believe that packaging is a multi-faceted opportunity for brands – at regional, national and global level – to make a difference to their customers through functional convenience, to retailers through exceptional carton design and to the world through renewable and sustainable juice packaging solutions.

World Juice provides three days of interesting debate and networking with the leading brands, producers and suppliers at the global juice industry's no.1 forum.

Trends & Possibilities

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First 'five-a-day' carton for UK

Elopak has developed a new carton feature to help UK consumers manage their intake of five portions of fruit and vegetables per day – as recommended by governmental health guidelines.



Circular windows on the one-litre Pure-Pak® carton of Sainsbury's juice allow consumers to conveniently measure the right portion of fruit juice required for a healthy diet.

Mark Eaves, Market Unit Manager for Elopak UK & Ireland explains, "Sainsbury's, one of our largest supermarket retailers, wanted to provide true product visibility to differentiate its premium not-from-concentrate juice. Using the 23mm-diameter windows featured down one side of the Pure-Pak® carton, consumers now have an efficient method of 200ml portion-control. This really demonstrates how flexible our packaging can be in enhancing functionality to support key consumer lifestyle trends."

All of the packaging for the new 'by Sainsbury's' range has been designed to meet with Sainsbury's wider commitment to the environment. It has pledged to reduce its own brand packaging weight relative to sales. The target is a reduction of a third by 2015, as compared to its baseline of 2009.



Showcase for freshness

Louise Wilkinson, Sainsbury's Juice Buyer said: "We launched this new packaging to make it easier for customers to measure one of their five-a-day and lead a healthier lifestyle. The windows also showcase our fantastic juice and its freshness."

Sainsbury's refreshing range of fruit juices is available in 16 different varieties to buy in store or online. RRP is

£1.58 per litre carton, or three cartons for £4.00 under the store's current special offer.

The new packaging design is part of the 'by Sainsbury's' re-launch, announced in May 2011. The revamp, which includes over 6,500 products, will be completed by January 2013.

The window cartons for Sainsbury's chilled juice range have caused quite a stir across Europe and have recently been shortlisted in the UK Packaging Awards 2011 in the Cartonboard Pack of the Year category - winners are to be announced in November.

For more information contact Market Unit Manager Mark Eaves at our office in the UK; mark.eaves@elopak.com



The two worlds of juice

For its review of the global juice market, Elotalk went to straight-talking expert Kim Slater of Canadean.

The dynamics of the beverage world are changing. According to Canadean, the economic problems of the last three to four years have generated two world markets for beverages - the 'old' and the 'new' worlds. This new categorisation offers some revealing viewpoints and forecasts.

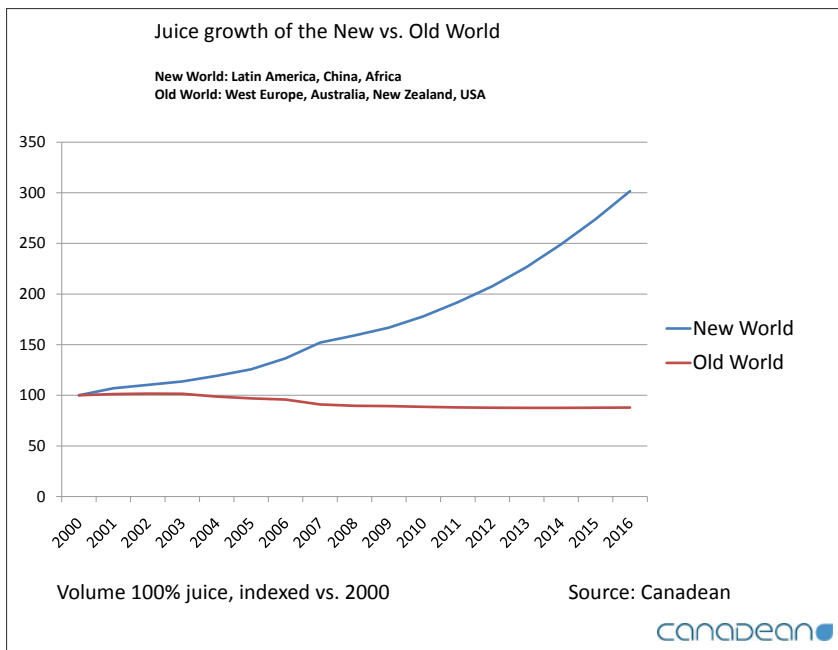
'New' vs. 'Old'

"The eight regions of the beverage globe have now been recalibrated into

two worlds. The more advanced markets in Western Europe, Australia, NZ and the US constitute the 'old' markets where growth has slowed right down and the industry now is focussed on differentiation and added value," explains Kim Slater.

"By contrast, in the developing and emerging markets of South America, China and Africa where people are consuming more of everything, the 'new' world of juice is driving growth."

With economic growth typically several points ahead of the 'old' markets in 'new' markets the demand for healthy products such as juice and juice drinks is growing - particularly in markets where fresh fruit is a rare commodity. In parts of Russia, for example, fresh fruit is less readily available to consumers, due to increasing urbanization and logistical challenges. Juice brings healthy consumption options and fills a market gap. Fresh juice in



Russia is a tiny category, however the country has the highest growth rate for ambient juices in Europe as the current per capita consumption is still very low at about 19 litres/capita.

“As these developing countries get richer and more urban, they strive for a more sophisticated diet and drink more packaged beverage products as a result. What is happening interestingly in some of these ‘new’ markets is that juice is finding its place in the local culture – and in markets such as China this place is poles apart from the Western norm,” says Kim Slater

Affordability is needed in China

“Here juice is not a breakfast product. In the mornings many Chinese will consume soya milk. Because the price of juice in China is relatively high and fridge space is at a premium, it is still a treat, a luxury product and is often given as a gift. A market of small ambient 250ml size packs has thus developed alongside 12x multi-packs.

“In the future, dairy will continue to grow strongly. To turn China into

a larger market opportunity, manufacturers must start to build affordability into their offer if 100% juice is to grow. Currently juice based products – which are typically less expensive are growing rapidly,” adds Kim.

‘Old’ vs. ‘New’

The ‘new’ world is in fact only about 1/6th of the juice and nectar volume of the ‘old’ world says Kim Slater – and the top ten major brand owners are ‘old’ market orientated.

But even here, according to Canadean there are still some winners.

“Not everything in the ‘old’ world is flat and static. In some markets nectars have grown at the expense of juice and despite the economy; the premium and even super-premium smoothie sub-categories which grew rapidly during the good times – then many took a hit during the recession – now firming evidence is that they are picking up again. Cranberry juice, and other new wave fruits continue to grow, evidence perhaps that functional benefits for the consumer are still important,” continues Kim Slater.

The sugar / calorie issue

“In some markets the calorie or sugar content is being recognised and for some consumers may be an issue. Dairy has often been able to address fat-content issues with the increase of semi-skimmed, skimmed and reduced-fat products. Juice is way behind dairy here, but Tropicana’s lower calorie offering [Trop 50] is currently being heavily promoted in the US. It is yet to be seen however, how this might travel to other markets or become a trend in its own right.”





Private label

Private label, fuelled by the cash strapped consumer – has remained dominant in UK and Germany accounting for 55-60% of total juice and 70% of grocery juice. The German discounters – Aldi and Lidl have driven a highly commoditised market with little room for manoeuvre in terms of margin. We also see indications in some markets where retailers are reducing shelf space or visibility for the cheaper products preferring to focus on high value and margin chilled & NFC offerings.

“To propel juice brands vs. private label, brand owners must use marketing strategy for strength. They have to acknowledge that private label is highly active at the top end; therefore brands need to be better supported with clear differentiation. Only strong brands or truly differentiated products can compete with private label. Successful beverage brands have profited from the media band wagon they have created. Development of the out-of-home consumption market will also help juice brands grow,” states Kim Slater.

Sourcing

“Nowadays the majority of orange supply is sourced from Brazil which makes it difficult for brand owners to differentiate in terms of taste and cost, either with brand competition or private label. In the ‘old days’ we blended juices with fruit from different parts of the world such as Spain and Israel. It is interesting to note that Innocent makes a feature of sourcing their juice from different places at different times of the year such as Costa Rica.”

Trends outlook

In the juice market, the bar is always being raised in terms of new trends argues Kim Slater. “Juice is still primarily consumed at breakfast and is still relatively expensive versus other beverage options. Therefore consumers tend to buy less, particularly during a recession. “Standard OJ will always be important but regardless of this, the consumer still wants a change or something different – this needs to be the right mix of taste and quality at a good price. Whether it is a special premium product or a basic

one – price is key. Therefore manufacturers need to present good value right the way across the price ranges,” concludes Kim Slater

Originality in innovation

Elopak’s Director Market Intelligence Uwe Tews adds his conclusion for our current global juice market overview, “As private label continues to develop and grow especially in the premium end with their added value concepts we will see more competition for brands and a tougher market place for new entries and innovations. Therefore it is more important than ever to differentiate by developing new and exciting products with original recipes together with innovations in packaging.”

For further information contact
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Life Freshly Squeezed brings homemade Juice to Life

Every year across southern Greece, locals await the start of the fruit season. The Greeks take special care of their fruit trees with the aim of growing the finest quality oranges to make into juice. However, homemade juice takes time and effort to produce and until recently, there was no alternative that came close.



Life Freshly Squeezed from Delta Foods S.A. in Pure-Pak Curve® has filled this gap in the market. A premium, fresh juice, it is produced using carefully selected Valencia oranges grown in the Laconia area of the Peloponnese peninsular, southeastern Greece. It is so fresh that it has just a five-day shelf-life after squeezing.

Freshness encapsulated in Curve

A seasonal product, Life Freshly Squeezed contains the juice from orange crops produced only during the months of June to September. Oranges are squeezed daily and the juice transferred to the breakfast table without any pasteurization involved. The flavour and aroma of these freshly squeezed oranges is contained within the carton using Alu board - providing the consumer with the feel of real homemade juice.

Now in 750ml Pure-Pak Curve® cartons, Life Freshly Squeezed was awarded 'Product of the Year' in 2010. Greek consumers voted it into first place in recognition

of its uniqueness, quality and innovation. The orange UE closure has been cleverly designed to resemble an orange connected to a leaf bearing the Life brand logo.

Growth via social networks

Despite orange juice being a traditional, homemade product for many Greeks, Delta has chosen a contemporary package and utilised today's media methods to promote the brand - bringing it up-to-date for the modern consumer.

Online, Greeks can experience the virtual process of fruit-growing by participating in the 'Adopt an orange tree' game, live on Facebook.

Consumers can become successful farmers, grow their own orange tree, enjoy the Life Freshly Squeezed juice from their own real tree and get the chance to win competition prizes and gifts in return.

Life Freshly Squeezed juice is distributed chilled with a retail price of €2.25 Euros.

For more information, please take contact with our office in Greece; Lydia Syrmaidou: lys@tesco.gr

Grove gears up to go global

with award-winning pack
'as powerful as a 48 sheet poster'

As reported in Elotalk 4, the UK's dominant force in organic juice is now making its mark in Europe thanks to a new re-branding and award-winning carton design. Managing Director of Grove Fresh Ltd David Patmore, spoke to Elotalk about how the new packaging is as powerful as a 48 sheet outdoor poster and is supporting a new consumer campaign setting the record straight on organic messages.



In 2009 following increasing demand from Grove's loyal consumer base, the company decided to re-brand. The research indicated a need to refine the brand message and the company wanted to engage consumers into the organic agenda through the health message – it 'puts real fruit vitality into your life'. "This is the brand essence," says David Patmore, "it is simply the key consumer benefit of pure organic fruit."

As powerful as a 28 sheet poster

Central to the re-brand was the new carton design. "We do not have the large budgets of the more conventional juice brands, but thanks to the collaboration of our

design agency and the Elopak team, the carton design has become the equivalent of our own 48-sheet outdoor poster on the shelf!" says David Patmore. "Utilising the whole of the carton surface to tell the brand story was essential. Combining this with exceptional colour and print delivery has made a huge difference to the overall awareness and perception of the brand."

Grove goes global

The Grove Organic Fruit Co. brand won the prestigious Diamond GRAMIA Award for Packaging at The Grocer's Marketing, Advertising and PR awards at the end of 2010. "It was a brave change," says David. "The new



Grove Organic Fruit Co. The Earth's Best



Winner – Best Non-alcoholic drinks 2011

**M.D. David Patmore receiving the Winners award
from H.R.H Prince of Wales
July 2011 Clarence House Gardens**

pack just 'says it all' about the brand and retailers across Europe are identifying with it and its opportunities straight away. It has quite simply opened the doors for Grove into the rest of Western Europe, Scandinavia, Russia and also China and the Middle East. We are now on the brink of becoming a global brand."

Organic is a personal choice

The new clarity of message defined by the new branding is supported by the work and research of the Organic Trade Board in the UK which develops, promotes and supports organic trade in the UK. Grove donates funds to the OTB and has helped to initiate a £2m advertising campaign launched in early 2011.

"Organic messages have been blurred for many years and the OTB set out to help consumers understand what organic really means, re-engage them in Organic and help them make informed choices.

"OTB's extensive research has shown that - organic means different things to different people. Everyone has their own reasons for buying organic, be that health issues, concerns about pesticide, animal welfare or just

wanting the best! It is a personal choice and the new campaign called "Why I love organic" ' drives home this and provides clarity in our category," explains David Patmore.

For more information go to www.grovesfresh.co.uk and visit them on Facebook! For more information on the advertising campaign by OTB go to www.organictradeboard.co.uk Or take contact with Petra Decker; petra.decker@elopak.de

Highlighting the Extra in ExtraPlus

The fitness, health and wellbeing trend is one of the mega trends of the millennium and will continue to be 'big business' in the upcoming years. Merziger in Lauterecken, Germany has once again successfully tapped into this by relaunching ExtraPlus for the health-conscious 'gourmet' consumer. Four high-quality fruit juice combinations with positive functional benefits have been packaged in one-litre Pure-Pak Curve® cartons with Pure-Twist U® cap.



These mixed juices from concentrate provide important added vitamins, minerals and trace elements. The four combinations consist of 'Orange, pineapple & banana with Omega 3' (for a healthy heart), 'Pear, orange & lychee with Folic Acid' (good for blood formation, especially during pregnancy), 'Apple, grape & pineapple with Calcium + Magnesium' (for bones, nerves and muscles) and 'Blueberries, apple & orange with Iron' (to help build red blood cells).

This special range is ideal for those who want to make an important contribution to a balanced diet in a simple, tasty way or to prevent or reduce symptoms of dietary deficiency.

Curve convinces consumers

Crucial to the brand was the look and feel of a premium functional product. At the same time, it needed to have a palatable taste and consumers had to feel happy about drinking a 'health product'.

Besides being convincing in taste, ExtraPlus had to be believable in terms of assuring the consumer that

juice from concentrate contained additional mineral nutrients and vitamins. This is where the Pure-Pak Curve® carton excels. The one-litre carton with a curved front panel provides the perfect canvas for the bold colours of each variety and allows the customer to swiftly identify the benefits and flavours on-shelf.

No.1 for added value

Direct marketing activities, advertisements in women's magazines, an introductory price and special in-store placements have all successfully targeted female consumers aged 35 to 55, together with their families and children. Market acceptance has been excellent with ExtraPlus now the number one brand in the added-value juice category.

The brand has nationwide ambient distribution in a six-pack format to supermarkets and hypermarkets, plus wholesale and drinks cash-and-carry. Recommended retail price is €1.79 Euros per carton.

For more information, please see: www.merziger.de or for more information about sustainable packaging possibilities, please take contact with Regional Marketing Director Astrid Näscher at our office in Speyer, German; astrid.naescher@elopak.de



A taste of World Juice 2011:

Ahead of World Juice Conference 2011, Elotalk got the low-down on what's grabbing the attention of industry experts right now. We spoke to Neil Murray, Editor of FoodNews and to Joseph Robinson, Consumer Business Analyst at Datamonitor, as they both prepare for the event.

China will change everything

Neil Murray, Editor of FoodNews, is currently fascinated by China and the effect it's going to have on the world of juice. He comments, "As ever, at the conference, I'll be looking forward to the latest production forecasts for Apple Juice Concentrate (AJC) from China and Frozen Concentrate Orange Juice (FCOJ) from Brazil. The emergence of China as a purchaser rather than simply a seller is fascinating. The speed with which it has happened is astonishing. China is going to change everything."

Neil says that the critical issue for juice right now is, 'Raw material, raw material, raw material', and explains, "Just about every fruit is going to be in short supply in

the near future, with the possible exceptions of cranberry and mango, where extensive new plantings are being made in the US, Chile and (for mango) India."

He feels that global platforms such as the World Juice Conference are extremely important, "Generally, industry members from rival or competing organisations do not meet face-to-face except at events like World Juice, therefore it is superb networking event."

Brands lead the way

As Editor of FOODNEWS, Neil believes that packaging creates an instant link between the brand and the contents of the container. He says, "When the same types of pack (the only exception I can think of is the

iconic Coca-Cola bottle) are available to just about any customer, the design and graphics on the packs are of critical importance. I think brands tend to lead here – why else would supermarkets expend so much time and effort in studiously copying their packs?”

The vanity conscious consumer leads the market

As a first time delegate and speaker at World Juice, Datamonitor's **Joseph Robinson** agrees with Neil Murray, “The conference is an invaluable opportunity to gain further insight to trends and issues. Because of its makeup, the juice industry does not often get so many of the main influencers in one room at one time - World Juice achieves this.” He too sees one of the key debates as the developments in China, but also is looking towards the emergence of the ‘vanity conscious consumer’ and the developments in health and wellness to lead the market in the next few decades.

“Consumers are becoming more vanity conscious and look for eco friendly solutions, which is why are seeing so many recyclable products and packaging,” he explains. “Another very interesting trend is the increasing health and functional sector where consumers are looking for benefits over and above their expectations. So we are seeing more products that support very specific health issues such as reducing Cholesterol and



Joseph Robinson from Datamonitor

improve heart health etc. This has been a big focus for all the food industry for the last two or so years and will lead both product and packaging innovations for the next decade.”

Facing the challenge from PL and factors for emerging success

“Tapping into the environmental concerns of the vanity conscious consumer, adding value with health benefits and better taste experience,” is according to Joseph Robinson how brands should face the increasing challenges from private label. For emerging markets and early adopters, the key to success is, “understanding your market’s characteristics as Coca-Cola did in China



with Minute Maid Pulp a dairy and juice mix. It researched the specifics of the market and delivered with both product and package.”

“Packaging,” he continues, “Can make an important difference, usually with the intent to buy. Currently this comes from functional benefits, added convenience, shelf stand out and sustainability within the packaging process and end consumer pack solutions.”

Joseph Robinson attended World Juice, (stream 1) Tuesday 4th October with a focus on Examining Different Juice Innovations Strategies During Times of Economic Downturn.

Datamonitor is a provider of global business information with a focus on delivering independent insight in five major areas consumer, product, market, company and country specific.

For more information go to www.datamonitor.com.

Foodnews is the only global publication that provides news and expert analysis of processed food commodities, including processed fruit and juices.

Premium packaging makes pure difference for PURAfrutta

PURAfrutta Spremuta is the first national premium Italian juice brand to be launched in over seven years and it's making a splash with help from Elopak.



Italy's leader in the aseptic juice sector, Conserve Italia Group, has chosen the Pure-Pak® carton to differentiate its new, premium, fresh juice within a plastic-driven market.

Marketed under the Valfrutta brand, varieties include Orange juice in 250ml and 750ml, Blood orange juice in 250ml and 750ml, Mandarin juice in 250ml and 500ml and Mixed fruit juice (orange, mandarin and lemon) in 250ml and 500ml Pure-Pak®.

Capturing the sun-kissed taste of Sicily

The new juice encapsulates all the flavours of the best Italian citrus fruit - ripened in the sun of Sicily, then collected, selected and pressed on site. These intensely flavoured juices are naturally rich in vitamin C and contain no added sugar. Each glass provides at least 25% of the recommended daily allowance of Vitamin C according to the Italian Ministry of Health. For the blood orange juice, Vitamin C content is even higher at 40%.

PURAfrutta juices are aimed at children, teens, adults, the elderly, but in particular, women and young people with families. The juice is designed to be easily consumed as a premium breakfast juice or during a break throughout the day thanks to the resealable Elo-Cap™ UL closure.

The Pure-Pak® was chosen because research shows that consumers love it and it is instantly recogniz-

able – important requirements in a small market dominated by plastics.

Premium market positioning is reflected in the price of RRP €2.35 Euros for 750ml, €1.99 Euros for 500ml and €0.95 Euros for 250ml.

Differentiation for retailers

By stocking this new line, retailers benefit from a good portfolio in terms of taste and size, a premium, national brand that can generate and differentiate a trend in a 'new segment' - plus good sales margins.

PURAfrutta Juice is distributed chilled to retailers across Italy in wraparound format containing six pieces. It should be stored in the refrigerator at home between 0°C to +6°C. Once opened it should be consumed within 2 to 3 days and shaken before use.

Valfrutta is a new Elopak customer but already has plans to launch its new premium juice in Mini Diamond Curve® cartons by the end of 2011.

For more information, please visit websites: www.conserveitalia.it or

<http://www.valfrutta.it/content/view/273/151/>

If you are interested in more information, please take contact with Market Unit Manager Michele Falzetta at our office in Italy; Michele.falzetta@elopak.it



**World Juice 2012 will take place 15-18 October,
at the Fira Palace Hotel, Barcelona.**





ELOPAK delivers the best packaging solutions for premium brands, enhancing and enriching consumer experience through functional, emotional and environmental benefits.

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